



Los Angeles County AUDIT COMMITTEE

Louisa Ollague, Chair
1st District
Lori Glasgow, Vice-Chair
5th District
Clinton Tatum
2nd District
Genie Chough
3rd District
Carl Gallucci
4th District

MEETING MINUTES

May 18, 2006

Vice-Chairperson Lori Glasgow called the meeting to order at 1:39 p.m. in Conference Room, 525, at the Kenneth Hahn Hall of Administration.

Committee Members Present

Louisa Ollague, First District
Genie Chough, Third District
Carl Gallucci, Fourth District
Lori Glasgow, Fifth District

Committee Members Absent

Clinton Tatum, Second District

Others in Attendance

Maria Oms, Auditor-Controller
Jim Schneiderman, Auditor-Controller
Don Chadwick, Auditor-Controller
Mike McWatters, Auditor-Controller
Martin Zimmerman, CAO
Linda Gibbs, CAO
Janice Kasai, County Counsel
Helen Berberian, DCFS
Lisa Parrish, DCFS
Dr. David Sanders, DCFS
Ed Sosa, DCFS
Eleanor Montano, Sybil Brand Commission
Helen Stathatos, Sybil Brand Commission

Ressie Román, Board of Supervisors
Peter Papadakis, Board of Supervisors
Garen Khachian, Board of Supervisors

Approval of Minutes

On motion of Carl Gallucci, seconded by Genie Chough, the Committee unanimously approved the April 20, 2006 minutes.

Old Business

Vendor Business at the Hall of Administration – CAO: This item was continued to the June 15, 2006 meeting.

Refugio Para Niños Foster Family Agency Contract Review: Maria Oms advised that all children have been removed from the home and that the home has been closed.

Sunset Review of Board Policy No. 6.010 – Department E-Mail Constituent Assistance Form: On motion of Louisa Ollague, seconded by Genie Chough, the Committee unanimously received and filed this report.

Group Home Corrective Action Plan Follow-Up Report – Westside Children's Group Homes, Incorporated – Westside Group Homes Sites 1, 2, 3, and 4: Ms. Oms reported the home will be closing on June 30, 2006. Ed Sosa, DCFS, reported the home was cited for various infractions and administrative action was consequently taken.

Destruction of Confidential Records – Status: **After a brief discussion, the Committee unanimously approved continuing this item to the July 20, 2006 meeting.**

Report on Interim Financial Management Services Provided to the Los Angeles Homeless Services Authority: Ms. Oms reported the City of Los Angeles has paid BLU Consulting. Thus far, the City has paid \$500,000 of the \$1 million owed. In addition to a Chief Financial Officer (CFO), a Controller has also been hired. Louisa Ollague suggested the Auditor-Controller perform a Program Audit on LAHSA.

Reports to be Received and Filed

Aviva Family & Children's Services Foster Family Agency Contract Review: Review determined the Agency is providing the services as outlined in their County contract but needs to strengthen administrative functions in the Home such as: Prepare Needs and Services Plans with specific and measurable goals (NSPs) and ensure staff document their monthly contact with the children's DCFS social workers. **On motion of Louisa Ollague, seconded by Genie Chough, the Committee unanimously received and filed this report.**

Raevery's Resource Center Contract – Workforce Investment Act Youth Program: Agency did not maintain adequate internal controls over its business operations. The Director of Operations had access to blank check to stock, signed checks, approved purchases, and had access to financial records. Agency concurred with the Auditor-Controller's findings and will begin implementing corrective actions. **On motion of Louisa Ollague, seconded by Genie Chough, the Committee unanimously received and filed this report.**

Economic and Employment Development Center Contract – Refugee Employment Program: Generally, the Agency is providing the services required by their County contract; however six EEDC program participants were not referred to DPSS for mandatory non-compliance action. In their County contract, the Agency is to refer participants who are unable to comply with the program requirements within thirty days for mandatory non-compliance action. **On motion of Louisa Ollague, seconded by Genie Chough, the Committee unanimously received and filed this report.**

Group Home Program Monitoring Report – Moore's Cottage Group Home: Agency needs to perform minor repairs to the home and ensure the treatment team is included in the development of NSPs. Agency's corrective action plan has been received and approved by the Auditor-Controller. **On motion of Louisa Ollague, seconded by Genie Chough, the Committee unanimously received and filed this report.**

Group Home Program Monitoring Report – T and T Home For Boys Group Home: Review determined the Agency needs to perform minor repairs to its facility and ensure overall cleanliness and promotion of hygiene is being exercised within the home.

On motion of Louisa Ollague, seconded by Genie Chough, the Committee unanimously received and filed this report.

Group Home Program Monitoring Report – The Sycamores, Hathaway-Sycamores Children and Family Services Group Home: Review determined home was well maintained and found in good standing. **On motion of Louisa Ollague, seconded by Genie Chough, the Committee unanimously received and filed this report.**

Group Home Program Monitoring Report – Olive Crest Treatment Centers, Incorporated, Malena, Maximus and Palm Group Homes: All three homes need to facilitate repairs and foster better cleaning methods, provide all children with the required minimum weekly allowance, and encourage/assist children in creating photo albums/life books. Agency's corrective action plan has been received and approved by the Auditor-Controller. **On motion of Louisa Ollague, seconded by Genie Chough, the Committee unanimously received and filed this report.**

Fiscal Review of House of Bethesda, Inc. – A Group Home Foster Care Contractor: Findings revealed an unexpended total of \$5,506 in questioned costs and \$2,768 in clothing allowance funds. Agency needs to tighten its internal controls regarding payroll/personnel records and the reporting of independent contractor's income. Other findings discovered were: Agency's Board of Directors is not independent in accordance with the California Corporations Code; and lack of the required Workers' Compensation insurance coverage during the audit review period. Auditor-Controller recommended DCFS resolve the questioned costs and clothing allowance funds; ensure Agency's management begins the implementing the corrective actions needed; and ensure all corrective actions taken will result in permanent changes in the home. **On motion of Louisa Ollague, seconded by Genie Chough, the Committee unanimously received and filed this report.**

William S. Hart Union High School District – Workforce Investment Act Programs: Agency needs to repay DCSS \$1,795 in over-billed services provided to three program participants and properly document their monthly meetings to discuss the participants' progress towards their long-term/employment goals. DCSS indicated they will work with the contractor to ensure the Agency maintains sufficient documentation to support participants' eligibility and maintain the appropriate procedure manuals. **On motion of Louisa Ollague, seconded by Genie Chough, the Committee unanimously received and filed this report.**

Reports to be Received

Sunset Review for the Los Angeles County Information Systems Commission: **On motion of Genie Chough, seconded by Carl Gallucci, the Committee unanimously approved extending the sunset review date to 2011.**

Third Review of Navigant Consulting, Inc.'s Contract Deliveries: Navigant continues to make progress in implementing the contract deliverables and the workplan recommendations; however, Navigant needs to ensure administrative controls are followed and discharge times for patients are met. **On motion of Genie Chough, seconded by Carl Gallucci, the Committee unanimously approved receiving and filing this report.**

Sunset Review for the Los Angeles County Quality and Productivity Commission:
On motion of Genie Chough, seconded by Carl Gallucci, the Committee unanimously approved extending the sunset review date to 2011.

Public Comments

There were none.

Other Business

FFAs and Group Home Monitoring: **The Committee unanimously approved continuing this item to the June 15, 2006 meeting.**

LAHSA Update: **This item was discussed under agenda item III f.**

Social Service Contracts – Governance Policy: Mike McWatters advised this policy was initiated in lieu of FFA/Group Home Audits and the excessive administrative salaries and poor decision making discovered. However, the policy is only applicable for homes that generate \$2 million or higher annually. Louisa Ollague recommended the Auditor-Controller meet with the 2nd district regarding social service contracts. **The Committee requested the Auditor-Controller to provide an update at the June 15, 2006 Audit meeting.**

Matters not on the Posted Agenda (to be Presented and Placed on the Agenda of a Future Meeting)

There were none.

Adjournment

There being no further business to conduct, the meeting was adjourned at 2:58 p.m.